

Legislators have been in Jackson to tackle the budget, and while they are in recess, there are some things you need to know.

I've presented a balanced, conservative, prudent budget for Fiscal Year 2010 that effectively uses federal stimulus money AND takes into account falling state revenue. No budget will work without these two basic assumptions.

My budget includes more than \$106 million from the Legislature's new tax on cigarettes AND reinstatement of a \$90 million assessment on hospitals so they will again pay their fair share of support for our Medicaid program.

Still some legislators want to spend more, and I've told them any extra spending must be paid for. They can include fair taxes on manufacturers of smokeless tobacco products and cheaper brands of cigarettes. These companies don't participate in Mississippi's big tobacco settlement so they get a .43 cent per pack tax break as opposed to the cigarette companies that pay Mississippi about \$120 million a year. So this would not only be fair but would end the tax subsidy our current system gives to cheap cigarettes.

Without the reinstatement of the \$90 million dollar hospital tax, we'll have to substantially cut Medicaid or make additional large cuts in other state programs like law enforcement or mental health. There is even some talk of furloughing state employees, but I hope it doesn't come to that.

Budgets are complicated and solutions don't come easily, especially in a national recession, and especially with state revenue running about \$400 million short this fiscal year alone. Revenue projections for fiscal years 2010 and 2011 are even worse.

But the budget decisions made in the coming days will not only affect dollars and cents; they will affect state services our citizens have come to expect.

This budget isn't business as usual and anyone who thinks so is badly mistaken. Even with the federal stimulus money, there is not enough revenue to cover everything we'd like to cover.

You can help. Tell your legislator to support reinstatement of the hospital tax, which hospitals themselves asked for and willingly paid for thirteen years because it nets them about 6 dollars for every 1 dollar they pay. Tell your legislator, if they want to spend more than my budget, they need to include cheaper cigarettes and snuff in their

new tobacco taxes. Tell your legislator Mississippi's rainy day fund must last for several years. Tell 'em, don't spend all the money at once.

The federal stimulus money ends in the middle of Fiscal Year 2011; that's December 31, 2010, next year; we can't plan to keep spending money we won't have; so we must plan ahead by controlling costs now and in the future. Make sure your legislators know that.